

Minutes
Wylie Economic Development Corporation
Board of Directors Meeting

Friday, March 18, 2011 – 6:30 A.M.
WEDC Offices – Conference Room
250 South Highway 78 – Wylie, Texas

CALL TO ORDER

Announce the presence of a Quorum

President Marvin Fuller called the meeting to order at 6:30 a.m. Board Members present were: John Yeager, Chris Seely, Mitch Herzog, and Todd Winters.

WEDC staff present were Executive Director Sam Satterwhite and Administrative Assistant Gerry Harris.

Ex-officio members Eric Hogue and Mindy Manson were present.

Construction Manager Tommy Pulliam attended the meeting and left at 7:00 a.m.

CITIZEN PARTICIPATION

There being no citizen participation, President Fuller proceeded to Action Items.

ACTION ITEMS

ITEM NO. 1 – Consider and act upon approval of the March 2, 2011 Minutes of the WEDC Board of Directors Meeting.

MOTION: A motion was made by Chris Seely and seconded by John Yeager to approve the March 2, 2011 Minutes of the WEDC Board of Directors Meeting. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 2 – Consider and act upon approval of the February 2011 WEDC Treasurer's Report

MOTION: A motion was made by Mitch Herzog and seconded by John Yeager to approve the February 2011 WEDC Treasurer's Report. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 3 – Consider and act upon issues surrounding the construction of a 96,000 industrial facility at 1405 Martinez Lane.

Staff reported that with the foundation being completed on March 23rd, the fire lanes were to be formed and poured by March 29th. Panels will be formed and poured March 22 - 28 with panel

erection to take place April 12 – 15. A minor problem with the structural steel package was reported in that the heights of the crane support beams over the press are too short. Hill & Wilkinson estimated the cost to increase the height is \$2,500 with staff approving the change order.

Due to inclement weather on the front end of the project along with other miscellaneous delays, the completion date of the project has been changed from May 31st to June 30th. Hill & Wilkinson believes it is possible to finish 2 – 3 weeks early should we continue to have dry weather.

The WEDC received Application for Payment #1 from Hill & Wilkinson in the amount of \$525,427. American National Bank is confirming that all work is complete and will process the payment request by March 22nd. It was suggested by the Board to utilize prepaid rent from Ascend to fund a portion of the draw request in order to reduce interim interest.

Mr. Pulliam, WEDC Construction Manager, reported that the job was going well according to the new schedule with some portions actually ahead of the schedule. He also reported that he believed the contractor was working in the WEDC's best interest pertaining to the budget.

Staff reported that there will be a presentation to the Wylie City Council on March 22nd in Executive Session to discuss financial assistance being provided by the City to the Ascend project.

Staff requested no action for this item.

ITEM NO. 4 – Consider and act upon issues surrounding reclassifying the WEDC Administrative Assistant job title, job description, and salary.

Staff requested that this item be tabled until the next Board meeting.

MOTION: A motion was made by John Yeager and seconded by Todd Winters to table the issue surrounding reclassifying the WEDC Administrative Assistant job title, job description, and salary to the Board Meeting to be held on March 21, 2011. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

DISCUSSION ITEMS

ITEM NO. 5 – Staff Report: review issues surrounding an Amended and Restated Performance Agreement between the WEDC and Woodbridge Crossing, Kansas City Southern Railway Company, WEDC restaurant recruitment strategy and regional housing starts.

Woodbridge Crossing

Staff reported that Woodbridge Crossing is currently in compliance with all terms of the Amended and Restated Performance Agreement. A Sales Tax Reimbursement Report was

presented which identified all sales taxes generated through October 2010 within Woodbridge Crossing for the City General Fund, the WEDC, and the 4B Corporation along with an ‘audit adjustment’ generated in October 2010. Staff also reviewed that the City and WEDC will be reimbursing 85% of all sales taxes generated within Woodbridge Crossing through September 2013. Beginning October 2013, 65% of all sales taxes generated will be reimbursed.

The performance measure due May 1, 2011 of 64,000 square feet of lease space constructed on the in-line lots adjacent to Target between McCreary and Springwell has been met. Direct Development will be notified that they are in compliance with the City/WEDC Agreements with the next performance measure of a cumulative 385,118 square feet due by September 1, 2013. There is currently 314,652 square feet in place within Woodbridge Crossing, 3,500 square feet under construction, with Ross and Rack Room Concepts planned for in-line space next to Kohl’s.

A summary of Direct Developments’ Performance Obligations was presented for the Board’s review.

Kansas City Southern Railway Company

Staff had no new information to present on the KSC issue.

WEDC Restaurant Recruitment Strategy

The Retail Coach contacted WEDC staff and indicated that they were also going to be doing work with the Murphy EDC under a similar contract. Mr. Kelly Cofer asked if the WEDC wanted to use another firm. Staff believed that changing firms was unnecessary. Sophisticated restaurant concepts are going to perform their due diligence whether Murphy or Wylie initiates the contact. Further, the increased attention from The Retail Coach for adjoining communities brings more attention to the area. Staff did request though that any contact with overlapping concepts be made solely by staff so that there will be no impression that Mr. Cofer is promoting one community over another.

Regional Housing Starts

Staff reported that Wylie is down 28% YTD from 2010, Lavon is down 13%, Murphy is down 76%, and Sachse is down 37%.

No action is requested by staff for this item.

EXECUTIVE SESSION

The WEDC Board recessed into Closed Session at 7:18 a.m. in compliance with Section 551.001, et.seq. Texas Government Code, to wit:

Section 551.071 (Consultation with Attorney) of the Local Government Code, Vernon’s Texas Code Annotated (Open Meetings Act).

- Deliberate a pending or contemplated litigation surrounding Project Re-tool.

Section 551.087 (Economic Development Negotiations) of the Local Government Code, Vernon's Texas Code Annotated (Open Meetings Act).

- Deliberate economic development negotiations surrounding Project Re-tool.
- Deliberate economic development negotiations with The Sooner Group.

Section 551.072 (Deliberations Regarding Real Property) of the Local Government Code, Vernon's Texas Code Annotated (Open Meetings Act).

- Deliberate the purchase of real property generally located near the intersection of State Highway 78 and Birmingham.

RECONVENE INTO OPEN MEETING

The WEDC Board of Directors reconvened into open session at 8:10 a.m.

MOTION: A motion was made by John Yeager and seconded by Mitch Herzog for staff to negotiate an offer with Mr. Glenn and Mr. Spokes for up to \$220,000 along with a 2 year lease at \$1,500 per month for the 0.3047 acre property located at 209 Industrial Court. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ADJOURNMENT

With no further business, President Fuller adjourned the WEDC Board meeting at 8:11 a.m.



Marvin Fuller, President

ATTEST:



Samuel D.R. Satterwhite
Executive Director